

<b>City of Minneapolis</b> Human Resources - Benefits Room 100, Public Service Center 250 South Fourth Street Minneapolis, MN 55415-1339	<b>Retirement Benefits Guide</b> <b>2015</b>
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This guide provides basic information about retiring from the City of Minneapolis. First you will find a list of steps you should take in the year before retirement. The following pages have information about your City of Minneapolis benefits and contact information for the organizations and individuals referred to in this guide.

City of Minneapolis benefits staff can answer your questions about the City's health and welfare plans. City staff cannot give financial advice or answer your questions about Social Security, Medicare, pension or deferred compensation benefits.

### ***Getting Ready to Retire***

In the year before retirement, you will want to do the following:

**Meet with financial and legal professionals.** Retirement decisions are among the most important you will ever make. You may want to consult with a financial advisor before you make any final decisions. Your financial advisor can help you decide if you can afford to retire and set long- and short-range financial goals. You may also wish to obtain legal advice about creating or updating such documents as your will, durable power of attorney, and durable power of attorney for health care and/or a living will. The employee assistance program (1-800-626-7944) can provide resources and referrals for financial and legal assistance.

**Contact your retirement plan office** to obtain pension estimates and start the pension application process. You should apply for benefits at least 60 days before your retirement date. If you participate in PERA, you should plan to attend a pre-retirement planning workshop and/or schedule a group counseling session with a PERA benefit counselor.

**Contact the Minnesota Deferred Compensation Plan** to obtain benefit information including payout options.

**Contact past employers** and, if appropriate, the military to find out whether you qualify for retirement income under their plans.

**If you will be age 62 or older when you retire, call Social Security** to get benefit estimates at various ages and to apply for benefits. If you will be age 65 or over at the time you retire, you should apply for Medicare Part B about three months before you want Medicare insurance coverage to start.

**Gather documents**, including birth certificates and marriage certificate, which you may need when you apply for a benefit.

**Call the City's benefits office** to schedule a meeting to discuss your healthcare continuation options.

## ***Benefit Plan Coverage after Retirement***

Your coverage for most City of Minneapolis health and welfare plans ends on the last day of the month in which final payroll contributions are taken. Following is information on what happens to your benefit plan coverage after your retire from the City. You will receive detailed information and election forms for continuing coverage closer to the time you retire.

### **Retiree Medical Continuation**

You may continue the medical plan available to active employees if:

- You are eligible to begin receiving benefits under the Public Employees Retirement Act at the time you retire, and
- You are enrolled in a City-sponsored medical plan immediately before you retire.

If you are enrolled for family coverage when you retire, you may continue coverage for eligible family members or you may elect to continue coverage for yourself only.

Your cost to continue medical coverage equals the full monthly premium. Monthly costs for continued medical plan coverage are typically adjusted at the beginning of each calendar year. You will be advised in advance of any changes in monthly costs.

*During the annual open enrollment period that occurs in November each year, you will have the opportunity to change your network election effective the following January 1<sup>st</sup>.*

	<b>2015 Monthly Cost</b>	
Network and Coverage Level	Wellness Premium	Standard Premium
Medica Elect or Essential: Single Coverage	\$524.00	\$558.00
Medica Elect or Essential: Family Coverage	\$1,468.00	\$1,561.00
Medica Choice: Single Coverage	\$558.00	\$593.00
Medica Choice: Family Coverage	\$1,561.00	\$1,661.00

When you become eligible for Medicare at age 65 you can no longer continue to be covered under the medical plans offered to active City employees. At that time, you may transfer to one of the Medicare supplement plans offered by the City. To participate in one of these plans, you must enroll in Medicare. If you are not covered by Social Security, you must purchase Medicare Part A and Part B. Eligible family members who are not yet eligible for Medicare may continue to participate in the active medical plan until they become Medicare eligible. At that time, they may also elect coverage under a Medicare supplement plan offered by the City. Contact the Benefits Office for information on the Medicare supplement plans.

### **Retiree Dental Continuation**

You may continue dental coverage by paying the full cost of this coverage. For 2015, that cost is \$32.00 for single coverage and \$79.00 per month for family coverage. If you decline dental coverage at the time you retire or if you drop dental coverage at a later date, you can not re-enroll.

### **Life Insurance**

You may continue your basic, dependent and optional life insurance at full group rate for 18 months following retirement. Following the 18-month continuation period, you would then have the option of converting to an individual policy without submitting evidence of insurability.

**Minneflex Spending Accounts**

Spending account reimbursements will be based on the elections and account balances in effect when you retire.

Health care spending account You may continue to submit reimbursement requests for eligible health care expenses incurred prior to your retirement date. You may continue to submit AND incur expenses through the end of the calendar year by electing to continue contributions to the plan on an after-tax basis.

Dependent care spending account Eligible dependent care expenses incurred before and after your retirement date can be reimbursed but only up to the amount actually deducted from your pay during the calendar year in which you retire.

Claims for reimbursement must be filed by the April 15th following the end of the year in which you retire.

**HRA/VEBA**

Money remaining in your HRA/VEBA account after you leave City employment will be available to you for reimbursement of eligible health care expenses (including your premiums for retiree medical and dental coverage). Eligible expenses generally include any health expense incurred by you or an eligible dependent that is reimbursable under Internal Revenue Code Section 213(d) and that is not paid under any other health or accident plan or insurance policy. You have 18 months after an eligible health expense was incurred to submit a claim for reimbursement.

If you die before you have claimed your entire account balance, your eligible dependents could submit claims for their eligible health expenses until the account is exhausted.

It is important that you let the City and the HRA/VEBA administrator know about future address changes. If the plan has been unable to contact you for a 36-month period at your last known address, you will forfeit any money remaining in your account. Forfeitures will be used to pay administrative expenses. After you leave the City there is an \$18.00/year administrative fee deducted from your HRA/VEBA account.

**Long Term Disability**

This coverage ends on your retirement date. It cannot be continued or converted. If you are receiving long term disability benefits at the time you retire, these payments will continue to be paid according to the plan's provisions.

**Pre-tax Transportation Plan – Metropass and Parking Programs**

Payroll deductions for the Metropass and contract parking are taken from the second paycheck each month to pre-pay for the next month. Cancellation requests are available on the City's benefits website and must be sent to the City's benefits office 30 days prior to the date you want your participation to end.

**MSRS Health Care Savings Plan**

If you contribute to the Minnesota State Retirement System (MSRS) health care savings plan, through an ongoing contribution or with vacation or sick leave severance pay, you can use the money in your

account for eligible health care expenses after you leave the City. You will receive information from MSRS about how to obtain reimbursements from your account. If you have questions about the health care savings plan, contact MSRS.

<b>Organization / Address</b>	<b>Contact Information</b>
<b>Medica</b>	952-945-8000 1-800-952-3455
<b>Delta Dental</b>	651-406-5916 1-800-553-9536
<b>WageWorks (Minneflex and HRA/VEBA claims)</b>	1-855-428-0446 <a href="http://www.wageworks.com">www.wageworks.com</a>
<b>Public Employees Retirement Association (PERA)</b> 60 Empire Drive, Suite 200 Saint Paul, MN 55102	651-296-7460 1-800-652-9026 <a href="http://www.mnpera.org">www.mnpera.org</a>
<b>Ameritas (Union Central) Defined Contribution Plan</b>	1-800-825-4546
<b>Laborers International Union of North America (Liuna)</b>	1-800-544-7422
<b>Central Pension Fund of the IUOE and Participating Employers (IUOE Local 49)</b>	1-202-362-1000 <a href="http://www.cpfuoe.org">www.cpfuoe.org</a>
<b>Plumbers National Pension Fund (Local #15)</b>	1-800-638-7442
<b>Minnesota Deferred Compensation Plan (MNDCP)</b> <b>MSRS Health Care Savings Plan</b>	651-296-2761 1-800-657-5757 <a href="http://www.msrs.state.mn.us">www.msrs.state.mn.us</a>
<b>Social Security and Medicare</b> Local offices: Suite 800, 190 East 5 <sup>th</sup> Street, St. Paul 1811 Chicago Avenue S, Minneapolis 5215 Edina Industrial Boulevard, Edina 3280 Northway Drive, Brooklyn Center	1-800-772-1213 (Social Security) 1-800-633-4227 (Medicare) <a href="http://www.ssa.gov">www.ssa.gov</a> <a href="http://www.medicare.gov">www.medicare.gov</a>
<b>City of Minneapolis Benefits Office</b>	612-673-3333